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**Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana**

Financial Statements

**As of and for the Year Ended June 30, 2000
With Supplemental Information Schedules**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-31-01

**JAMES T. BATES
CERTIFIED PUBLIC ACCOUNTANT**

**612 Barksdale Blvd
Bossier City, Louisiana 71111**

**Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana**

Financial Statements

**As of and for the Year Ended June 30, 2000
With Supplemental Information Schedules**

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Management Letter

Board of Directors
Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

I have audited the financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc. (the Agency), for the year ended June 30, 2000, and have issued my report thereon dated December 20, 2000. In planning and performing the audit of the financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc., I considered its internal control over financial reporting in order to determine the auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

During the audit the following items were noted involving internal control over financial reporting and other operational matters which appear to merit your attention for consideration to improve the internal control or operations of the Agency. These comments have been discussed with the appropriate members of management.

Board of Directors

The Agency's By-Laws require that the board meet at least four times per year. The board was only able to obtain a quorum at two of its scheduled meetings during the fiscal year that ended June 30, 2000. This continues to be an ongoing problem, and therefore, it is my strong recommendation that the board members exercise due diligence and make every effort to attend the scheduled meetings during the year. In conjunction with this issue the board acting as the finance committee can continue to monitor the Agency's financial operations and its progress in eliminating the cumulative deficits of \$14,918.

Reporting to Cognizant Agencies

A comparison of various financial reports to the cognizant agencies to a program's general ledger revealed that the report did not reconcile with the general ledger. Also, in conjunction with this comparison, a review of the billings to the cognizant agency was not being reconciled to the check received from the cognizant agency. It is my recommendation that these reports be reconciled and that any variances be immediately rectified and amended reports be filed if necessary.

I express sincere thanks to the Agency's personnel for the cooperation and assistance provided me during my audit. I am available to provide you assistance and consultation in the implementation of the above mentioned items. This letter is furnished solely for the use of management and the Board of Directors and is not intended to be used for any other purpose.



December 20, 2000

Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

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Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

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Independent Auditor's Report

To the Board of Directors
Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

I have audited the accompanying statement of financial position of Pine Belt Multi-Purpose Community Action Agency, Inc. as of June 30, 2000, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Pine Belt Multi-Purpose Community Action Agency, Inc.'s management. My responsibility is to express an opinion on these statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to the above present fairly, in all material respects, the financial position of Pine Belt Multi-Purpose Community Action Agency, Inc. as of June 30, 2000 and the changes in its net assets and its cash flows for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 20, 2000 on my consideration of Pine Belt Multi-Purpose Community Action Agency, Inc.'s internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The accompanying supplemental combining schedules on page 15 and 16 are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying supplemental schedules, listed as "Supplemental Information Schedules For Grants and Contracts Analysis" in the table of contents, and shown on pages 15 - 25, are presented for the purpose of providing various funding sources of Pine Belt Multi-Purpose Community Action Agency, Inc. additional individual grant and contract analysis and are not a required part of the financial statements. The information is prepared on a prescribed basis of the various funding sources of Pine Belt Multi-Purpose Community Action Agency, Inc., and certain schedules are for

periods other than Pine Belt's audit year. These schedules are not presented in accordance with generally accepted accounting principles. Accordingly, these schedules are not intended to present financial position and results of operations in conformity with generally accepted accounting principles. Such information has been subjected to the auditing procedure applied in the audit of the financial statements and, in my opinion, they are fairly stated on the basis of accounting practices prescribed by the funding sources.



December 20, 2000

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Statement of Financial Position
June 30, 2000

| Assets | |
|--|--------------------------|
| Current assets: | |
| Cash | \$ 151,622 |
| Grant receivables | 38,777 |
| Due from other funds | 16,162 |
| Other receivables | <u>3,928</u> |
| Total current assets | <u>210,489</u> |
| Property and equipment: | |
| Property and equipment | 1,099,148 |
| Accumulated depreciation | <u>821,364</u> |
| Net property and equipment | <u>277,784</u> |
| Total Assets | \$ <u><u>488,273</u></u> |
| Liabilities and Net Assets | |
| Current Liabilities: | |
| Accounts payable | \$ 13,484 |
| Accrued liabilities | 10,868 |
| Refundable advances | 63,780 |
| Due to other funds | 16,162 |
| Line of credit | 0 |
| Current portion of long-term debt | 0 |
| Current portion of other long-term liabilities | <u>6,528</u> |
| Total current liabilities | <u>110,822</u> |
| Long-term Liabilities: | |
| Long-term debt | 0 |
| Other long-term liabilities | <u>25,479</u> |
| Total long-term liabilities | <u>25,479</u> |
| Total Liabilities | <u>136,301</u> |
| Net assets: | |
| Unrestricted: | |
| Operating | (4,812) |
| Designated for specific programs | 133,213 |
| Fixed assets | <u>223,571</u> |
| Total net assets | <u>351,972</u> |
| Total Liabilities and Net Assets | \$ <u><u>488,273</u></u> |

The accompanying notes are an integral part of the financial statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Statement of Activities
For the Year Ended June 30, 2000

| | <u>Unrestricted</u> |
|---|---------------------|
| Revenues and Other Support: | |
| Contractual revenue - grants | \$ 2,662,240 |
| Donations - police juries | 24,500 |
| Miscellaneous revenues | 94,797 |
| Gain on disposal of vehicles | <u>1,700</u> |
| Total revenues and other support | <u>2,783,237</u> |
| Expenses: | |
| Head start program | 1,690,135 |
| Child nutrition services | 154,308 |
| Community services | 394,112 |
| Transportation services | 231,706 |
| Education services | 0 |
| Emergency food and shelter | 42,689 |
| Summer child care | 46,355 |
| Housing services | 48,571 |
| Family preservation | 493 |
| Summer food service | 23,084 |
| Commodities distribution | 18,354 |
| Medicaid services | 13,207 |
| Other general services | <u>83,902</u> |
| Total expenses | <u>2,746,916</u> |
| Change in net assets | 36,321 |
| Net assets, as of beginning of year | 305,509 |
| Transfer of fixed assets to funding source- terminated program | 0 |
| Prior year adjustment | <u>10,142</u> |
| Net assets, as of end of year | <u>\$ 351,972</u> |

The accompanying notes are an integral part of the financial statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Statement of Cash Flows
For the Year Ended June 30, 2000

Operating activities

| | |
|--|----------------|
| Change in net assets | \$ 45,941 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | |
| Depreciation | 97,940 |
| Gain on sale of property and equipment | (1,700) |
| (Increase) decrease in operating assets: | |
| Grant receivables | 30,753 |
| Other receivables | (1,626) |
| Increase (decrease) in operating liabilities: | |
| Accounts payable | (13,058) |
| Accrued liabilities | (3,384) |
| Refundable advances | <u>13,716</u> |
| Net cash provided by operating activities | <u>168,582</u> |

Investing Activities

| | |
|--|-----------------|
| Payments for property and equipment | (59,588) |
| Proceeds from disposal of property and equipment | <u>1,700</u> |
| Net cash used in investing activities | <u>(57,888)</u> |

Financing Activities

| | |
|---|-----------------|
| New loan principal | 0 |
| Repayments of long-term debt | (82,496) |
| Repayments of other long-term liabilities | <u>(7,072)</u> |
| Net cash provided by financing activities | <u>(89,568)</u> |

| | |
|------------------------------|--------------------------|
| Net (decrease) in cash | 21,126 |
| Cash as of beginning of year | 130,496 |
| Cash as of ending of year | <u>\$ <u>151,622</u></u> |

The accompanying notes are an integral part of the financial statements.

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Notes to Financial Statements
June 30, 2000

(1) Summary of Significant Accounting Policies

A. Nature of Activities

Pine Belt Multi-Purpose Community Action Agency, Inc. (Pine Belt) is a private nonprofit corporation incorporated under the laws of the State of Louisiana. Pine Belt is governed by a Board of Directors composed of members from Jackson, Bienville, Morehouse, Red River, Sabine and Winn Parishes which are the parishes that Pine Belt serves. Pine Belt operates as a community action agency administering various federal and state funded programs designed to provide assistance to the poor and disadvantaged in these parishes in Louisiana. The following programs, with their approximate percentage of total revenues indicated, are administered by Pine Belt:

Head Start Program (60%) - Provides comprehensive early child development for disadvantaged and handicapped preschool children and their families. Funding is provided by federal funds from the U.S. Department of Health and Human Services.

Child and Adult Care Food Program (6%) - Provides a food service program in coordination with the Head Start and Summer Child Care Assistance Programs. Funding is provided by the federal funds from U.S.D.A. passed through the Louisiana Department of Education.

Community Services Block Grant (14%) - Administers programs designed to provide services and activities that will have a measurable impact on causes of poverty in the community. Funding is provided by federal funds passed through the Louisiana Department of Labor.

Project Independence Transportation (9%) - Provides transportation services to eligible participants. Funding is provided by federal and state funds from Louisiana Department of Social Services, transportation fares, and miscellaneous revenues.

Project Independence Education (0%) - Provides education, job skills training, job development and placement skills to eligible participants. Funding is provided by federal and state funds from Louisiana Department of Social Services.

Emergency Food and Shelter (2%) - Provides emergency food and shelter in areas of high need throughout the community to persons based upon their unemployment or poverty status. Funding is provided by federal FEMA funds passed through a local governing board.

Summer Child Care Assistance (2%) - Provides quality child care during the summer months to children identified by the Head Start program. The children can not exceed 13 years of age except for children with disabilities. Funding is provide by federal funds passed through the Louisiana Department of Social Services.

Section 8 Housing Assistance Program (2%) - Provides a housing subsidy program funded by the United States Department of Housing and Urban Development. Pine Belt has entered into a contract to administer the program for Jackson Parish in Louisiana. The program provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing

(Continued)

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Notes to Financial Statements

for low-income families at rents they can afford. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the occupant family's at required contribution toward the rent.

Family Preservation (0%) - Provides services to citizens of Jackson and Union parishes in the development and strengthening of low income families, with primary focus on expansion of the agency's resource directory and instructional training for implementing parent training classes. Funding is provided by federal funds passed through the Louisiana Department of Social Services.

Summer Food Service Program(0%) - Provides a food service program for needy children during the summer months when area schools are closed for the summer. Funding is provided by federal funds passed through the Louisiana Department of Education.

Commodities Distribution (1%) - Provides distribution of U.S.D.A. donated commodities to eligible persons in the community. Funding is provided by federal funds passed through the Louisiana Department of Agriculture and Forestry.

Medicaid Application Services (1%) - Provides assistance to qualified citizens of the Agency's service area in the preparation of the applications for the receipt of Medicaid funding. Funding is provided by the Louisiana Department of Health and Human Services.

General Assistance (3%) - Accounts for miscellaneous administrative activities and other general operations of the agency that are not charged to another fund. Revenue consists of miscellaneous receipts collected during the year.

B. Basis of Accounting

The financial statements of Pine Belt have been prepared on the accrual basis of accounting.

C. Basis of Presentation

Financial statement presentation follows the recommendations of Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

D. Income Tax Status

Pine Belt is a non-profit corporation and is exempt from state and federal income taxes under Section 501 (c)(3) of Internal Revenue Code. However, income from certain activities not directly related to Pine Belt's tax - exempt purpose would be subject to taxation as unrelated business income. Pine Belt had no such income for this audit period.

(Continued)

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Notes to Financial Statements

E. Uses of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported revenues and expenses. Actual results could differ from those estimates.

F. Cash and Cash Equivalents

For purposes of the Statement of cash flows, Pine Belt considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

G. Property and Equipment

Property and equipment are carried at cost, or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method over the estimated useful life of each asset. The Federal Government has a reversionary interest in property purchased with federal funds. Its disposition as well as the ownership of any proceeds therefrom is subject to federal regulations.

H. Revenue and Support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Contractual grant revenue is reported as unrestricted support due to the restrictions placed on those funds by the funding sources being met in the same reporting period as the revenue is earned.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

I. Compensated Absences

Employees may accrue vacation leave up to 144 hours. Upon an employee's separation of employment, earned and/or accrued leave will be paid up to a maximum of 80 hours. Employees can also accrue sick leave, but accumulated sick leave is forfeited upon separation of employment.

J. Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted.

(Continued)

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Notes to Financial Statements

(2) Concentrations of Credit Risk

Financial instruments that potentially subject Pine Belt to concentrations of credit risk consist principally of temporary cash investments and grant receivables. Concentrations of credit risk with respect to grant receivables are limited due to these amounts being due from governmental agencies under contractual terms. As of June 30, 2000, Pine Belt had no significant concentrations of credit risk in relation to grant receivables.

Pine Belt maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. June 30, 2000, total cash balances held at financial institutions was \$244,028. Of this amount, \$101,733 was secured by FDIC and the remaining \$142,295 was secured by a collateralization agreement with a financial institution.

(3) Grant Receivables

Various funding sources provide reimbursement of allowable costs under contracts or agreements. These balances represent amounts due from funding sources at June 30, 2000, but received after that date.

(4) Due To and Due From Other Funds

The following schedule represents amounts due to and due from other funds at June 30, 2000:

| <u>Fund</u> | <u>Due From Other Funds</u> | <u>Due To Other Funds</u> |
|---|---------------------------------|-------------------------------|
| Unrestricted | \$ 15,657 | \$ -0- |
| Restricted Funds: | | |
| Headstart - due from Headstart Food Service | 505 | -0- |
| Headstart Food Service | -0- | 505 |
| Project Independence Transportation Program | -0- | 239 |
| Project Independence Education Program | -0- | -0- |
| Section 8 Housing Assistance Program | -0- | 337 |
| Summer Food Service Program | <u>-0-</u> | <u>15,081</u> |
| | <u>\$ 16,162</u> | <u>\$ 16,162</u> |

(5) Property and Equipment

Property and Equipment consists of the following at June 30, 2000:

| | <u>Estimated Depreciable Life</u> | <u>Purchased With Federal Funds</u> | <u>Purchased With Non-Federal Funds</u> | <u>Total</u> |
|-------------------------|---|---|---|--------------|
| Buildings | 20-30 years | \$ 58,912 | \$ -0- | \$ 58,912 |
| Furniture and Equipment | 5-7 years | 378,060 | 43,357 | 421,417 |

(Continued)

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Notes to Financial Statements

| | | | | |
|--|---------|-------------------|------------------|-------------------|
| Vehicles | 5 years | 508,621 | 141,453 | 650,074 |
| Accumulated Depreciation | | <u>(702,996)</u> | <u>(114,596)</u> | <u>(817,592)</u> |
| Net investment in property and equipment | | <u>\$ 235,759</u> | <u>\$ 79,855</u> | <u>\$ 315,614</u> |

Depreciation for the year ended June 30, 2000 is \$97,940.

(6) Refundable Advances

Pine Belt records federal funds received in excess of expenditures as a refundable advance until they are expended for the purpose of the contract or until the funds are returned to the appropriate funding source.

(7) Other Liabilities

Other Liabilities at June 30, 2000 consist of the following:

| | <u>Total</u> | <u>Current</u> | <u>Long-Term</u> |
|--|------------------|-----------------|------------------|
| Amount due to the Louisiana Department of Social Services, Office of Community Services resulting from unresolved findings and questioned costs associated with the Weatherization Assistance Program from 1989 through 1994. A repayment agreement for \$59,206 has been formally accepted. The repayment agreement calls for an initial payment of \$2,000 with 105 monthly payments of \$544 and the 106 th payment in the amount of \$87. | <u>\$ 32,007</u> | <u>\$ 6,528</u> | <u>\$ 25,479</u> |
| Total Other Liabilities | <u>\$ 32,007</u> | <u>\$ 6,528</u> | <u>\$ 25,479</u> |

(8) Long-Term Debt

The Agency had no Long-Term Debt as of June 30, 2000.

Interest expense paid on Long-Term Debt for the year ended June 30, 2000 was \$3,270.

(9) Line of Credit

Pine Belt has a line of credit at a local bank with an interest rate fixed at 9.5% at June 30, 2000. The loan is unsecured.

| | |
|--------------------------|-----------|
| Line of credit limit | \$ 50,000 |
| Outstanding loan balance | \$ -0- |

(Continued)

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Notes to Financial Statements

(10) Unrestricted Operating Net Assets

As of June 30, 2000, the unrestricted operating net assets consisted of the following programs:

| | |
|-------------------------------------|--------------------|
| Project Independence Transportation | \$19,307 |
| Summer Feeding | (14,918) |
| Medicaid | 849 |
| General Services | (10,050) |
| | <u>\$ (4,812)</u> |

(11) Unrestricted Designated Net Assets

As of June 30, 2000, the unrestricted designed net assets consisted of the following programs:

| | |
|-------------------------------------|-------------------|
| Child Adult Care Food Program | \$ 35,496 |
| Project Independence Transportation | 80,385 |
| Commodities Program | <u>17,332</u> |
| | <u>\$ 133,213</u> |

These funds are designated to be used only for the operations of these programs.

(12) Commodities Distribution

The expenses shown as commodities distribution represent certain costs to distribute the commodities. The value of the commodities distributed was approximately \$106,014 during July 1, 1999 thru June 30, 2000. The value of the commodities distributed is not reflected in the accompanying financial statements.

(13) Contractual Revenue - Grants

During the year ended June 30, 2000, Pine Belt received contractual revenue from federal and state grants in the amount of \$2,751,075. The continued existence of these funds is based on annual contract renewals with various funding sources.

(14) Leases

The agency leases certain buildings and equipment under operating leases. Some leases contain renewal options for periods ranging from one to five years. The rental costs on these for the year ended June 30, 2000, were \$16,123. Future minimum lease payments under leases that have remaining terms in excess of one year as of June 30, 2000, are:

Year Ending June 30:

| | |
|------|----------|
| 2002 | \$ 6,000 |
| 2003 | 6,000 |

(Continued)

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana

Notes to Financial Statements

| | |
|----------------|------------------|
| 2004 | 4,500 |
| 2005 | 4,500 |
| 2006 and after | <u>6,500</u> |
| | <u>\$ 27,500</u> |

(15) Retirement Obligations

In July, 1997, Pine Belt began participating in a 457 B deferred compensation program whereby an amount up to 3% of the salary of eligible employees is contributed to the program. The amount contributed for the year ended June 30, 2000 was \$17,735.

(16) Partnership Investments

Pine Belt is a member in the following limited partnerships:

Pine Belt serves as the Managing General Partner for Sabine Housing 1994 Partners, a Louisiana Partnership in Commendam, organized and operated for the construction, ownership and management of a forty unit apartment complex in Many, Louisiana known as William E. Ruffin Apartments, permanent financing provided with funds provided by the Home Affordable Rental Housing Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing General Partner for Northwood Apartments Partnership, a Louisiana Partnership in Commendam organized and operated for the construction, ownership and management of a forty unit apartment complex in Bastrop, Louisiana, known as Northwood Apartments, permanent financing provided with funds provided by the Home Affordable Rental Housing Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt serves as the Managing general Partner for Maplewood Apartments Partnership, a Louisiana Partnership in Commendam organized and operated for the construction, ownership and management of a forty unit apartment complex in Winnfield, Louisiana, known as Maplewood Apartments, permanent financing provided with funds provided by the Home Affordable Rental Housing Program and tax credits through regulatory agreements with Louisiana Housing Finance Agency.

Pine Belt entered into Management Sub-Contracts with Calhoun Property Management, Inc., in which they will co-manage all of the Partnerships. Pine Belt's ownership percentages of the partnerships are 5% each.

June 30, 2000

| Assets | | | | | | | | | | | | | | |
|--|--------------------|--------------------------|--------------------|-------------------------|--------------------|--------------------------|-------------------|------------------|---------------------|---------------------|--------------------------|----------|------------------------|------------|
| | Head Start Program | Child Nutrition Services | Community Services | Transportation Services | Education Services | Emergency Food & Shelter | Summer Child Care | Housing Services | Family Preservation | Summer Food Service | Commodities Distribution | Medicaid | Other General Services | Total |
| Current assets: | | | | | | | | | | | | | | |
| Cash | \$ 32,447 | \$ 36,294 | \$ (12,132) | \$ 26,456 | \$ 0 | \$ 16,148 | \$ 3,427 | \$ 26,368 | \$ 0 | \$ 163 | \$ 17,332 | \$ 849 | \$ 4,277 | \$ 151,622 |
| Grant receivables | 0 | 0 | 16,387 | 20,390 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 38,777 |
| Due from other funds | 505 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 16,657 | 16,162 |
| Other Receivables | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,928 | 3,928 |
| Total current assets | 32,952 | 36,294 | 6,248 | 46,846 | 0 | 16,148 | 3,427 | 26,368 | 0 | 163 | 17,332 | 849 | 23,862 | 210,489 |
| Property and equipment: | | | | | | | | | | | | | | |
| Property and equipment | 890,410 | 675 | 33,584 | 111,140 | 0 | 0 | 0 | 0 | 1,546 | 0 | 0 | 0 | 61,793 | 1,099,148 |
| Accumulated depreciation | 699,664 | 349 | 23,098 | 53,677 | 0 | 0 | 0 | 0 | 902 | 0 | 0 | 0 | 43,674 | 821,364 |
| Net property and equipment | 190,746 | 326 | 10,486 | 57,463 | 0 | 0 | 0 | 0 | 644 | 0 | 0 | 0 | 18,119 | 277,784 |
| Total Assets | \$ 223,698 | \$ 36,620 | \$ 16,734 | \$ 104,309 | \$ 0 | \$ 16,148 | \$ 3,427 | \$ 26,368 | \$ 644 | \$ 163 | \$ 17,332 | \$ 849 | \$ 41,981 | \$ 488,273 |
| Liabilities and Net Assets | | | | | | | | | | | | | | |
| Current liabilities: | | | | | | | | | | | | | | |
| Accounts payable | \$ 5,816 | \$ 293 | \$ 6,248 | \$ 1,127 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 13,484 |
| Accrued liabilities | 8,952 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,906 | 10,868 |
| Refundable advances | 18,174 | 0 | 0 | 0 | 0 | 16,148 | 3,427 | 26,031 | 0 | 0 | 0 | 0 | 0 | 63,780 |
| Due to other funds | 0 | 505 | 0 | 239 | 0 | 0 | 0 | 337 | 0 | 15,081 | 0 | 0 | 0 | 16,162 |
| Line of credit | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Current portion long-term debt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Current portion of other long-term liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,528 | 6,528 |
| Total current liabilities | 32,952 | 798 | 6,248 | 1,366 | 0 | 16,148 | 3,427 | 26,368 | 0 | 15,081 | 0 | 0 | 8,434 | 110,822 |
| Long-term liabilities | | | | | | | | | | | | | | |
| Long-term debt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other long-term liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25,479 | 25,479 |
| Total long-term liabilities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 25,479 | 25,479 |
| Net assets: | | | | | | | | | | | | | | |
| Unrestricted: | | | | | | | | | | | | | | |
| Operating | 0 | 0 | 0 | 19,307 | 0 | 0 | 0 | 0 | 0 | (14,918) | 0 | 849 | (10,050) | (4,812) |
| Designated for specific programs | 0 | 35,496 | 0 | 80,385 | 0 | 0 | 0 | 0 | 0 | 0 | 17,332 | 0 | 0 | 133,213 |
| Fixed assets | 190,746 | 326 | 10,486 | 3,251 | 0 | 0 | 0 | 0 | 644 | 0 | 0 | 0 | 18,118 | 223,571 |
| Total net assets | 190,746 | 35,822 | 10,486 | 102,943 | 0 | 0 | 0 | 0 | 644 | (14,918) | 17,332 | 849 | 8,068 | 351,972 |
| Total Liabilities and Net Assets | \$ 223,698 | \$ 36,620 | \$ 16,734 | \$ 104,309 | \$ 0 | \$ 16,148 | \$ 3,427 | \$ 26,368 | \$ 644 | \$ 163 | \$ 17,332 | \$ 849 | \$ 41,981 | \$ 488,273 |

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
Jonesboro, Louisiana
Combining Schedule of Activities
For the Year Ended June 30, 2000

| | Head Start Program | Child Nutrition Services | Community Services | Transportation Services | Education Services | Emergency Food & Shelter | Summer Child Care | Housing Services | Family Services | Summer Food Service | Commodities Distribution | Medicaid | Other General Services | Total |
|--|-----------------------|--------------------------------|-----------------------|----------------------------|-----------------------|--------------------------------|----------------------|---------------------|--------------------|---------------------------|-----------------------------|---------------|------------------------------|------------------|
| Revenues and Other Support: | | | | | | | | | | | | | | |
| Contractual revenue - | | | | | | | | | | | | | | |
| grants | \$ 1,664,086 | \$ 174,388 | \$ 392,051 | \$ 250,035 | \$ 0 | \$ 42,689 | \$ 46,355 | \$ 48,571 | \$ 0 | \$ 0 | \$ 22,185 | \$ 14,056 | \$ 7,824 | \$ 2,662,240 |
| Donations - police injuries | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 24,500 | 24,500 |
| Miscellaneous revenues | 1,585 | 0 | 0 | 8,224 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 84,988 | 94,797 |
| Gain on disposal of vehicles | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,700 | 1,700 |
| Total revenues and other support | 1,665,671 | 174,388 | 392,051 | 258,259 | 0 | 42,689 | 46,355 | 48,571 | 0 | 0 | 22,185 | 14,056 | 119,012 | 2,783,237 |
| Expenses: | | | | | | | | | | | | | | |
| Salaries | 1,158,453 | 70,410 | 256,280 | 103,957 | 0 | 0 | 30,588 | 0 | 0 | 12,225 | 7,880 | 11,074 | 26,928 | 1,677,705 |
| Fringe benefits | 190,611 | 8,372 | 40,659 | 12,407 | 0 | 0 | 2,340 | 0 | 0 | 616 | 861 | 959 | 3,152 | 259,977 |
| Travel | 7,530 | 0 | 1,836 | 1,465 | 0 | 0 | 0 | 0 | 0 | 118 | 3,792 | 0 | 3,424 | 18,165 |
| Equipment and maintenance | 82 | 0 | 0 | 358 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2,145 | 2,595 |
| Occupancy | 50,123 | 4,388 | 0 | 2,163 | 0 | 0 | 3,009 | 0 | 0 | 1,003 | 2,062 | 0 | 2,547 | 65,295 |
| Telephone | 22,263 | 39 | 0 | 1,825 | 0 | 0 | 1,310 | 0 | 0 | 221 | 1,991 | 0 | 5,920 | 33,569 |
| Insurance | 36,331 | 0 | 0 | 16,223 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 4,125 | 58,679 |
| Vehicle operation | 37,775 | 0 | 2,171 | 41,525 | 0 | 0 | 563 | 0 | 0 | 102 | 0 | 0 | 0 | 82,235 |
| Supplies and postage | 26,649 | 3,719 | 0 | 2,714 | 0 | 0 | 1,974 | 0 | 0 | 293 | 1,040 | 0 | 21,742 | 58,131 |
| Professional services | 12,633 | 975 | 0 | 2,000 | 0 | 0 | 1,515 | 0 | 0 | 0 | 0 | 0 | 0 | 17,123 |
| Food and related supplies | 31,561 | 65,718 | 834 | 0 | 0 | 0 | 4,509 | 0 | 0 | 7,348 | 0 | 0 | 0 | 109,970 |
| Miscellaneous | 49,223 | 552 | 0 | 19,000 | 0 | 0 | 447 | 13,531 | 184 | 75 | 728 | 1,174 | 11,804 | 96,719 |
| Client and assistance payments | 0 | 0 | 87,813 | 0 | 0 | 42,689 | 0 | 35,040 | 0 | 0 | 0 | 0 | 0 | 165,542 |
| Depreciation | 66,901 | 135 | 4,519 | 23,961 | 0 | 0 | 0 | 0 | 309 | 0 | 0 | 0 | 2,115 | 97,940 |
| Interest | 0 | 0 | 0 | 2,088 | 0 | 0 | 0 | 0 | 0 | 1,182 | 0 | 0 | 0 | 3,270 |
| Total expenses | 1,690,135 | 154,308 | 394,112 | 231,706 | 0 | 42,689 | 46,355 | 48,571 | 493 | 23,084 | 18,354 | 13,207 | 83,902 | 2,746,916 |
| Change in net assets | (24,464) | 20,080 | (2,061) | 26,553 | 0 | 0 | 0 | 0 | (493) | (23,084) | 3,831 | 849 | 35,110 | 36,321 |
| Net assets beginning of year | 215,210 | 15,742 | 12,025 | 81,974 | (5,644) | 0 | 0 | 0 | 1,137 | 8,188 | 13,501 | 0 | (35,602) | 305,509 |
| Transfers | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transfers of fixed assets to funding source - | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| terminated program | 0 | 0 | 522 | (5,584) | 5,644 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8,560 | 10,142 |
| Prior year adjustment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net assets end of year | 190,746 | 35,822 | 10,465 | 102,943 | 0 | 0 | 0 | 0 | 644 | (14,916) | 17,332 | 849 | 8,068 | 351,972 |

**Supplemental Information Schedules Prepared
For Grants and Contracts Analysis**

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

Head Start Grant No. 06CH0220/15

Schedule of Revenues, Expenses and Changes in Net Assets
For the Contract Period: December 1, 1998 to November 30, 1999

| | Approved Budget | Actual | COB Balance Current Year |
|------------------------------------|--------------------|--------------|-----------------------------------|
| Revenues: | | | |
| Amount awarded this budget period | \$ 1,617,182 | \$ 1,617,182 | |
| Total Head Start Grant revenues | 1,617,182 | 1,617,182 | |
| Grantee's contribution | 404,296 | 404,296 | |
| Total revenues | 2,021,478 | 2,021,478 | |
| Expenses: | | | |
| Personnel | 1,136,249 | 1,129,406 | \$ 6,843 |
| Fringe Benefits | 194,000 | 201,442 | (7,442) |
| Travel | 15,500 | 9,746 | 5,754 |
| Equipment | 54,000 | 38,058 | 15,942 |
| Supplies | 24,500 | 24,372 | 128 |
| Other | 192,933 | 215,110 | (22,177) |
| Head Start grant expenses | 1,617,182 | 1,618,134 | \$ (952) |
| Grantee's share | 404,296 | 404,296 | |
| Total expenses | 2,021,478 | 2,022,430 | |
| Head Start (expenses) over revenue | \$ 0 | (952) | |
| Interest income | | 952 | |
| Revenue over expenditures | | \$ 0 | |

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

Child and Adult Care Food Program

Louisiana Department of Education

Schedule of Revenues, Expenses and Changes in Net Assets

For the Period: October 1, 1998 to September 30, 1999

| | |
|--------------------------------|---------------------------|
| Revenue: | |
| Contract revenue | \$ <u>155,347</u> |
| <i>Total revenue</i> | <u>155,347</u> |
| Expenses: | |
| Salaries | 83,982 |
| Fringe Benefits | 10,352 |
| Supplies | 9,553 |
| Space costs | 11,287 |
| Food service costs | 57,725 |
| Other administrative costs | <u>1,896</u> |
| <i>Total expenses</i> | <u>174,795</u> |
| Excess revenue (expenses) | (19,448) |
| Net assets, October 1, 1998 | <u>(7,851)</u> |
| Net assets, September 30, 1999 | \$ <u><u>(27,299)</u></u> |

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

Community Services Block Grant

Department of Labor

Contract No. 99NOO32

Schedule of Revenues, Expenses and changes in Net Assets

Budget and Actual

For the Contract Period: January 1, 1999 to December 31, 1999

| | Budget | Actual | Actual (Over) Under Budget |
|------------------------------|--------------------------|-----------------------|-------------------------------------|
| Revenues: | | | |
| Contract revenue | | \$ <u>376,146</u> | |
| Total revenue | | <u>376,146</u> | |
| Expenses: | | | |
| Administration: | | | |
| Salaries | \$ 73,135 | 69,539 | \$ 3,596 |
| Fringe benefits | 11,096 | 9,028 | 2,068 |
| Travel | 1,200 | 963 | 237 |
| Equipment purchase | 2,000 | 1,909 | 91 |
| Other support costs | <u>14,599</u> | <u>13,957</u> | <u>642</u> |
| Total administration | <u>102,030</u> | <u>95,396</u> | <u>6,634</u> |
| Program Activities: | | | |
| Salaries | 173,526 | 166,266 | 7,260 |
| Fringe benefits | 29,195 | 27,204 | 1,991 |
| Travel | 3,500 | 3,250 | 250 |
| Other support costs | 39,000 | 35,938 | 3,062 |
| Activities | <u>53,000</u> | <u>47,258</u> | <u>5,742</u> |
| Total program activities | <u>298,221</u> | <u>279,916</u> | <u>18,305</u> |
| Commodity food and nutrition | <u>2,126</u> | <u>834</u> | <u>1,292</u> |
| Total expenses | \$ <u><u>402,377</u></u> | <u><u>376,146</u></u> | \$ <u><u>26,231</u></u> |
| Excess revenues (expenses) | | \$ <u><u>0</u></u> | |

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

Project Independence Transportation Program

CFMS #529671, 530707, 530732, 529594 and Title XIX

Schedule of Revenues, Expenses and Changes in Net Assets

For the Contract Periods: July 1, 1999 to June 30, 2000

| | Project Independence | Other | Total |
|-------------------------------|-------------------------|----------------------|-----------------------|
| Revenue: | | | |
| Project independence | \$ 201,386 | \$ 0 | \$ 201,386 |
| Title XIX fares | 0 | 46,867 | 46,867 |
| Cash fares | 0 | 8,224 | 8,224 |
| Miscellaneous | <u>1,781</u> | <u>0</u> | <u>1,781</u> |
| Total revenue | <u>203,167</u> | <u>55,091</u> | <u>258,258</u> |
| Expenses: | | | |
| Natchitoches Parish expenses | 55,659 | 0 | 55,659 |
| Sabine Parish expenses | 37,480 | 0 | 37,480 |
| Winn Parish expenses | 34,536 | 0 | 34,536 |
| Jackson Parish expenses | 31,925 | 0 | 31,925 |
| Title XIX expense | 0 | 48,145 | 48,145 |
| Depreciation expense | <u>20,273</u> | <u>3,687</u> | <u>23,960</u> |
| Total expenses | <u>179,873</u> | <u>51,832</u> | <u>231,705</u> |
| Excess revenue (expenses) | 23,294 | 3,259 | 26,553 |
| Net assets, July 1, 1999 | 62,534 | 19,440 | 81,974 |
| Prior period adjustment | <u>(2,192)</u> | <u>(3,392)</u> | <u>(5,584)</u> |
| Net assets, June 30, 2000 | <u>\$ 83,636</u> | <u>\$ 19,307</u> | <u>\$ 102,943</u> |

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

Emergency Food and Shelter Program

FEMA

Schedule of Revenues, Expenses and Changes in Net Assets

For the Period: January 1, 1999 to December 31, 1999

Revenue:

| | |
|------------------|------------------|
| Contract revenue | \$ <u>55,012</u> |
|------------------|------------------|

Expenses:

| | |
|-----------------------------|--------------|
| Administrative expenses | 1,100 |
| Morehouse client assistance | 34,430 |
| Beinville client assistance | 12,761 |
| Jackson client assistance | <u>6,721</u> |

| | |
|----------------|---------------|
| Total expenses | <u>55,012</u> |
|----------------|---------------|

| | |
|---------------------------|---|
| Excess revenue (expenses) | 0 |
|---------------------------|---|

| | |
|-----------------------------|----------|
| Net assets, January 1, 1999 | <u>0</u> |
|-----------------------------|----------|

| | |
|-------------------------------|--------------------|
| Net assets, December 31, 1999 | \$ <u><u>0</u></u> |
|-------------------------------|--------------------|

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

Summer Child Care Assistance Program

CFMS #519948

Schedule of Revenues, Expenses and Changes in Net Assets

For the Period: July 1, 1999 to June 30, 2000

Revenue:

| | |
|------------------|------------------|
| Contract revenue | \$ <u>46,355</u> |
|------------------|------------------|

Expenses:

| | |
|--------------------|--------------|
| Salaries | 30,588 |
| Fringe benefits | 2,340 |
| Travel | 88 |
| Supplies | 1,974 |
| Operating services | 9,636 |
| Other expenses | <u>1,729</u> |

| | |
|----------------|---------------|
| Total expenses | <u>46,355</u> |
|----------------|---------------|

| | |
|---------------------------|---|
| Excess revenue (expenses) | 0 |
|---------------------------|---|

| | |
|--------------------------|----------|
| Net assets, July 1, 1999 | <u>0</u> |
|--------------------------|----------|

| | |
|---------------------------|--------------------|
| Net assets, June 30, 2000 | \$ <u><u>0</u></u> |
|---------------------------|--------------------|

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

Section 8 Housing Assistance Program

Schedule of Revenues, Expenses and Changes in Net Assets

For the Contract Period: October 1, 1998 to September 30, 1999

| | |
|--------------------------------|------------------------|
| Revenue: | |
| Contract revenue | \$ <u>49,680</u> |
| Expenses: | |
| Administrative expenses | 4,647 |
| Housing assistance payments | <u>41,270</u> |
| Total expenses | <u>45,917</u> |
| Excess revenue (expenses) | 3,763 |
| Net assets, October 1, 1998 | <u>2,712</u> |
| Net assets, September 30, 1999 | \$ <u><u>6,475</u></u> |

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

Summer Food Service Program

Louisiana Department of Education

Schedule of Revenues, Expenses and Changes in Net Assets

For the Period: July 1, 1999 to June 30, 2000

| | |
|------------------------------------|---------------------------|
| Revenue: | |
| Contract revenue | \$ <u>0</u> |
| Total revenue | <u>0</u> |
| Expenses: | |
| Salaries | 12,125 |
| Fringe benefits | 616 |
| Travel | 118 |
| Food purchases | 7,348 |
| Other costs | <u>2,877</u> |
| Total expenses | <u>23,084</u> |
| Excess revenue (expenses) | (23,084) |
| Net assets, beginning July 1, 1999 | <u>8,166</u> |
| Net assets, ending June 30, 2000 | \$ <u><u>(14,918)</u></u> |

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.
 Jonesboro, Louisiana
 Commodities Distribution
 Louisiana Department of Agriculture and Forestry
 Schedule of Revenues, Expenses and Changes in Net Assets
 For the Period: July 1, 1999 to June 30, 2000

| | |
|---------------------------------------|-------------------------|
| Revenue: | |
| Contract revenue | \$ 22,185 |
| Commodities Received For Distribution | <u>119,088</u> |
| Total revenue | <u>141,273</u> |
| Expenses: | |
| Salaries | 7,880 |
| Fringe benefits | 861 |
| Travel | 3,792 |
| Space costs | 2,062 |
| Communications | 1,991 |
| Other administrative costs | 1,768 |
| Value of commodities distributed | <u>119,088</u> |
| Total expenses | <u>137,442</u> |
| Excess revenue (expenses) | 3,831 |
| Net assets, July 1, 1999 | <u>13,501</u> |
| Net assets, June 30, 2000 | \$ <u><u>17,332</u></u> |

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

Medicaid

Schedule of Revenues, Expenses and Changes in Net Assets

For the Period: September 1, 1999 to June 30, 2000

Revenue:

Contract revenue \$ 14,056

Total revenue 14,056

Expenses:

Salaries 11,074

Fringe Benefits 959

Program Support 1,175

Total expenses 13,208

Excess revenue (expenses) 848

Net assets, September 1, 1999 0

Net assets, June 30, 2000 \$ 848

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

General Unrestricted Funds

Schedule of Revenues, Expenses and Changes in Net Assets

For the Period: July 1, 1999 to June 30, 2000

Revenue:

| | |
|------------------------------|---------------|
| Medicaid revenue | \$ 3,024 |
| Donations - police juries | 24,500 |
| CHDO development fee | 22,245 |
| People unlimited | 4,800 |
| Miscellaneous income | 9,771 |
| Gain on disposal of vehicles | 1,700 |
| Program Reimbursements | <u>52,972</u> |

| | |
|---------------|----------------|
| Total revenue | <u>119,012</u> |
|---------------|----------------|

Expenses:

| | |
|-----------------|---------------|
| Salaries | 26,928 |
| Fringe benefits | 3,152 |
| Travel | 3,424 |
| Supplies | 21,742 |
| Telephone | 5,920 |
| Utilities | 2,547 |
| Equipment | 2,145 |
| Insurance | 4,125 |
| Other | <u>13,919</u> |

| | |
|----------------|---------------|
| Total expenses | <u>83,902</u> |
|----------------|---------------|

| | |
|---------------------------|--------|
| Excess revenue (expenses) | 35,110 |
|---------------------------|--------|

| | |
|--------------------------|----------|
| Net assets, July 1, 1999 | (35,602) |
|--------------------------|----------|

| | |
|-----------------------|--------------|
| Prior year adjustment | <u>8,560</u> |
|-----------------------|--------------|

| | |
|---------------------------|------------------------|
| Net assets, June 30, 2000 | <u><u>\$ 8,068</u></u> |
|---------------------------|------------------------|

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2000

| Federal Grantor / Pass- Through Grantor / Program Title | Federal CFDA Number | Pass-Through Grantor's Number | Expenditures |
|--|------------------------|----------------------------------|--------------|
| <u>U.S. Department of Health and Human Services</u> | | | |
| Direct Programs: | | | |
| Head Start (Fy 11-30-99) | 93.600 | 06CH0220/16 | \$770,802 |
| Head Start (Fy 11-30-00) | 93.600 | 06CH0220/17 | 894,869 |
| Passed through Louisiana Department of Labor | | | |
| Community Services Block Grant (Fy 12-31-99) | 93.569 | 1999N0032 | 197,664 |
| Community Services Block Grant (Fy 12-31-00) | 93.569 | 2000N0032 | 194,387 |
| Passed through Louisiana Department of Social Services, Office of Community Services | | | |
| Title XIX Transportation | 93.667 | Unknown | 44,752 |
| Passed through Louisiana Department of Social Services, Office of Family Support | | | |
| Project Independence Transportation Program | 93.561 | 529671,530707,530732,529594 | 177,684 |
| Summer Child Care Program (Fy 6-30-00) | 93.561 | 519948 | 46,357 |
| <u>U.S. Department of Housing and Urban Development</u> | | | |
| Direct Programs: | | | |
| Section 8 Housing Assistance Payments Program - Jackson (Fy 9-30-00) | 14.857 | LA248V00003 | 48,571 |

(Continued)

PINE BELT MULTI-PURPOSE COMMUNITY ACTION AGENCY, INC.

Jonesboro, Louisiana

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2000

(Continued)

| Federal Grantor / Pass-Through Grantor / Program Title | Federal CFDA Number | Pass-Through Grantor's Number | Expenditures |
|---|------------------------|----------------------------------|--------------------|
| <u>U.S. Department of Agriculture</u> | | | |
| Passed through Louisiana Department of Education | | | |
| Child and Adult Care Food Program (Fy 11-30-99) | 10.558 | Unknown | 25,710 |
| Child and Adult Care Food Program (Fy 11-30-00) | 10.558 | Unknown | 128,464 |
| Summer Food Service Program | 10.559 | Unknown | 23,085 |
| Passed through Louisiana Department of Agriculture and Forestry | | | |
| Temporary Emergency Food Assistance Program | 10.568 | Unknown | 18,354 |
| Food Distribution - Value of Commodities Distributed | 10.550 | Unknown | 119,088 |
| <u>Federal Emergency Management Agency</u> | | | |
| Passed through a local governing board | | | |
| Emergency Food and Shelter (FEMA) (Fy 12-31-99) | 83.523 | Unknown | 34,002 |
| Emergency Food and Shelter (FEMA) (Fy 12-31-00) | 83.523 | Unknown | 8,686 |
| | | | <u>\$2,732,475</u> |

Note 1: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting.

Note 2: Nonmonetary assistance is reported in the schedule at fair value of the commodities received and distributed. At June 30, 2000, Pine Belt had no food commodities in inventory.

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**Report on Compliance and on Internal Control Over Financial
Reporting Based on An Audit of Financial Statements
Performed in Accordance With Government Auditing Standards**

To the Board of Directors
Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

I have audited the financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc. as of and for the year ended June 30, 2000, and have issued my report thereon dated December 20, 2000. I have conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether Pine Belt Multi-Purpose Community Action Agency, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Pine Belt Multi-Purpose Community Action Agency, Inc.'s internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses. However, I noted other matters involving the internal control over financial reporting that I have reported to the management of Pine Belt Multi-Purpose Community Action Agency, Inc., in a separate management letter dated December 20, 2000.

This report is intended for the information of management, the Board of Directors and federal awarding agencies and pass-through entities. However, this restriction is not intended to limit the distribution of this report.



December 20, 2000

James T. Bates

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Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133

To the Board of Directors
Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

Compliance

I have audited the compliance of Pine Belt Multi-Purpose Community Action Agency, Inc. with the types of compliance requirements described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2000. Pine Belt Multi-Purpose Community Action Agency, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major programs is the responsibility of Pine Belt Multi-Purpose Community Action Agency, Inc.'s management. My responsibility is to express an opinion on Pine Belt Multi-Purpose Community Action Agency, Inc.'s compliance based on my audit.

I conducted my audit in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*; issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Pine Belt Multi-Purpose Community Action Agency, Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on Pine Belt Multi-Purpose Community Action Agency Inc.'s compliance with those requirements.

In my opinion, Pine Belt Multi-Purpose Community Action Agency, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000.

Internal Control Over Compliance

The management of Pine Belt Multi-Purpose Community Action Agency, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered Pine Belt Multi-Purpose Community Action Agency, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of

the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be a material weakness.

This report is intended for the information of management, the Board of Directors and federal awarding agencies and pass-through entities. However, this restriction is not intended to limit the distribution of this report.

A handwritten signature in cursive script, reading "Jan T. Bate".

December 20, 2000

Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

Summary Schedule of Prior Audit Findings
June 30, 2000

There was one finding and question costs for the previous audit period ending June 30, 1999.

Schedule of Findings and Question Costs
June 30, 2000

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc.
2. No reportable conditions are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Pine Belt Multi-Purpose Community Action Agency, Inc. were disclosed during the audit.
4. No reportable condition is reportable in the Report on Compliance With Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With Circular OMB A-133.
5. The auditor's report on compliance for the major federal award program for Pine Belt Multi-Purpose Community Action Agency, Inc. expresses an unqualified opinion.
6. The programs tested as major programs were: (1) Head Start Program CFDA #93.600, Community Services Block Grant CFDA #93.569, and Emergency Food and Shelter Program CFDA #83.523.
7. The threshold for distinguishing Types A and B programs was \$300,000.
8. Pine Belt Multi-Purpose Community Action Agency, Inc. met the 50% coverage rule with no reason to make a determination whether the auditee qualifies as a low-risk auditee.

B. Findings - Financial Statements Audit

None

(Continued)

Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

Schedule of Findings and Question Costs
June 30, 2000

C. Findings and Questioned Costs - Major Federal Award Program Audit

There were no findings or questioned costs in the audit period ending June 30, 2000.

Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

Schedule of Prior Audit Findings For Louisiana Legislative Auditor
June 30, 2000

Summary Schedule of Prior Audit Findings

There was one audit finding in the previous audit for the year ended June 30, 1999.

There were eight management letter comments in the previous audit for the year ended June 30, 1999, as follows:

Prior Year Comment #1 - Board of Directors - Although Pine Belt's cumulative deficits did decrease this year, this again is a concern and commented again in the current management letter regarding the Board of Directors not meeting as often as required.

Prior Year Comment #2 - Payroll Procedures - The central payroll office is now allocating the gross payroll and related fringes properly to all programs.

Prior Year Comment #3 - Computer Operations - The Agency now has proper backup procedures in place to safeguard the data stored on various computers.

Prior Year Comment #4 - Accounting Department Operations - The Agency's accounting department obtained and recorded all audit adjustments for the previous year's audit.

Prior Year Comment #5 - Program Participant Application Files - The Agency now has a final review process in place of all participant's files.

Prior Year Comment #6 - Reporting to Cognizant Agencies - This is still an ongoing issue and is commented again in the current management letter.

Prior Year Comment #7 - Fixed Assets - The Agency documented the inventory listings of fixed assets as to the date the inventory was last taken.

Prior Year Comment #8 - Disbursements - The Agency has place procedures in place to assure that the proper general ledger account number has been recorded on all purchase orders.

Pine Belt Multi-Purpose Community Action Agency, Inc.
Jonesboro, Louisiana

Schedule of Current Audit Findings For Louisiana Legislative Auditor
June 30, 2000

Corrective Action Plan for Current Year Audit Findings

There were no findings for the year ended June 30, 2000.

There were two management letter comments for the current audit year ended June 30, 1999, as follows:

Comment #1 - Board of Directors

The Agency's By-Laws require that the board meet at least four times per year. The board met only twice during the fiscal year that ended June 30, 2000 and therefore, it is my recommendation that the board exercise due diligence in holding the required number of meetings during the year. In conjunction with this issue the board acting as the finance committee can continue to monitor the Agency's financial operations and its progress in eliminating the cumulative deficits of \$(14,918).

Management's Response

The Agency is considering a revision to its by-laws as follows: 1) the Executive Committee will be authorized to convene in the event a quorum is not present with all business being discussed to be ratified via telephone polls of the full membership; and 2) members failing to attend three consecutive meetings without just cause will be terminated with replacement members to be identified by the nominating committee as soon as possible to rectify the problem addressed above.

Comment #2- Reporting to Cognizant Agencies

A comparison of financial reports to cognizant agencies to the program's general ledger revealed that the report did not reconcile with the general ledger. It is my recommendation that these reports be reconciled with the general ledger and that any variances be explained.

Management's Response

Additional staff training will be provided for accounting personnel. Procedures will be further strengthened to include the CFO as the responsible party to sign off on all financial reporting after a careful review has been made of all documents.